

Official Form 1 (4/07)

<b>United States Bankruptcy Court Eastern District of Tennessee</b>				<b>Voluntary Petition</b>																																																			
Name of Debtor (if individual, enter Last, First, Middle): <b>Propex Inc.</b>			Name of Joint Debtor (Spouse) (Last, First, Middle):																																																				
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): <b>FKA Propex Fabrics, Inc.; FKA Propex Geosolutions Corporation; FKA SI Concrete Exchange LLC; FKA SI Concrete Holdings LLC; FKA SI Geosolutions Exchange LLC</b>			All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):																																																				
Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (if more than one, state all): <b>36-2692811</b>			Last four digits of Soc. Sec./Complete EIN or other Tax ID No. (if more than one, state all):																																																				
Street Address of Debtor (No. and Street, City, and State): <b>6025 Lee Highway, Suite 425 Chattanooga, TN</b>			Street Address of Joint Debtor (No. and Street, City, and State):																																																				
ZIP Code <b>37421</b>			ZIP Code																																																				
County of Residence or of the Principal Place of Business: <b>Hamilton</b>			County of Residence or of the Principal Place of Business:																																																				
Mailing Address of Debtor (if different from street address):			Mailing Address of Joint Debtor (if different from street address):																																																				
ZIP Code			ZIP Code																																																				
Location of Principal Assets of Business Debtor (if different from street address above): <b>Georgia</b>																																																							
<b>Type of Debtor</b> (Form of Organization) (Check one box)  <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)		<b>Nature of Business</b> (Check one box)  <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other  <b>Tax-Exempt Entity</b> (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).		<b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (Check one box)  <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13  <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding  <b>Nature of Debts</b> (Check one box)  <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.																																																			
<b>Filing Fee</b> (Check one box)  <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.			<b>Chapter 11 Debtors</b> <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000.  Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).																																																				
<b>Statistical/Administrative Information</b>  <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.  <table border="1" style="width: 100%; border-collapse: collapse; font-size: small;"> <tr> <th colspan="10">Estimated Number of Creditors</th> </tr> <tr> <td style="text-align: center;">1-49</td> <td style="text-align: center;">50-99</td> <td style="text-align: center;">100-199</td> <td style="text-align: center;">200-999</td> <td style="text-align: center;">1000-5,000</td> <td style="text-align: center;">5001-10,000</td> <td style="text-align: center;">10,001-25,000</td> <td style="text-align: center;">25,001-50,000</td> <td style="text-align: center;">100,001-100,000</td> <td style="text-align: center;">OVER 100,000</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; font-size: small;"> <tr> <th colspan="5">Estimated Assets</th> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> \$0 to \$10,000</td> <td style="text-align: center;"><input type="checkbox"/> \$10,001 to \$100,000</td> <td style="text-align: center;"><input type="checkbox"/> \$100,001 to \$1 million</td> <td style="text-align: center;"><input type="checkbox"/> \$1,000,001 to \$100 million</td> <td style="text-align: center;"><input checked="" type="checkbox"/> More than \$100 million</td> </tr> <tr> <th colspan="5">Estimated Liabilities</th> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> \$0 to \$50,000</td> <td style="text-align: center;"><input type="checkbox"/> \$50,001 to \$100,000</td> <td style="text-align: center;"><input type="checkbox"/> \$100,001 to \$1 million</td> <td style="text-align: center;"><input type="checkbox"/> \$1,000,001 to \$100 million</td> <td style="text-align: center;"><input checked="" type="checkbox"/> More than \$100 million</td> </tr> </table>				Estimated Number of Creditors										1-49	50-99	100-199	200-999	1000-5,000	5001-10,000	10,001-25,000	25,001-50,000	100,001-100,000	OVER 100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Estimated Assets					<input type="checkbox"/> \$0 to \$10,000	<input type="checkbox"/> \$10,001 to \$100,000	<input type="checkbox"/> \$100,001 to \$1 million	<input type="checkbox"/> \$1,000,001 to \$100 million	<input checked="" type="checkbox"/> More than \$100 million	Estimated Liabilities					<input type="checkbox"/> \$0 to \$50,000	<input type="checkbox"/> \$50,001 to \$100,000	<input type="checkbox"/> \$100,001 to \$1 million	<input type="checkbox"/> \$1,000,001 to \$100 million	<input checked="" type="checkbox"/> More than \$100 million	THIS SPACE IS FOR COURT USE ONLY	
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FORM B1, Page 2

<b>Voluntary Petition</b> (This page must be completed and filed in every case)		Name of Debtor(s): <b>Propex Inc.</b>	
<b>All Prior Bankruptcy Cases Filed Within Last 8 Years</b> (If more than two, attach additional sheet)			
Location Where Filed: <b>- None -</b>		Case Number:	Date Filed:
Location Where Filed:		Case Number:	Date Filed:
<b>Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor</b> (If more than one, attach additional sheet)			
Name of Debtor: <b>See Attached</b>		Case Number:	Date Filed:
District: <b>Eastern District of Tennessee</b>		Relationship: <b>See Attached</b>	Judge:
<b>Exhibit A</b>  (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)  <input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.		<b>Exhibit B</b>  (To be completed if debtor is an individual whose debts are primarily consumer debts.) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).  <b>X</b> _____ Signature of Attorney for Debtor(s) (Date)	
<b>Exhibit C</b>  Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety? <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No.			
<b>Exhibit D</b>  (To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.) <input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition. If this is a joint petition: <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
<b>Information Regarding the Debtor - Venue</b> (Check any applicable box)  <input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District. <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District. <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
<b>Statement by a Debtor Who Resides as a Tenant of Residential Property</b> (Check all applicable boxes)  <input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)  _____ (Name of landlord that obtained judgment)  _____ (Address of landlord)  <input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and  <input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			

Official Form 1 (4/07)

FORM B1, Page 3

## Voluntary Petition

(This page must be completed and filed in every case)

Name of Debtor(s):  
**Propex Inc.**

### Signatures

#### Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.  
[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.  
[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X \_\_\_\_\_  
Signature of Debtor

X \_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Telephone Number (If not represented by attorney)

\_\_\_\_\_  
Date

#### Signature of Attorney

X \_\_\_\_\_  
Signature of Attorney for Debtor(s)

**Mark W. Wege 21074225 Shelley D. Rucker**

Printed Name of Attorney for Debtor(s) **Bar No. 010098**

**King & Spalding LLP Miller & Martin PLLC**

Firm Name **832 Georgia Ave., Ste. 1000**

**1100 Louisiana, Suite 4000 Chattanooga, GA 37402-2289**

**Houston, TX 77002 Tel: 432-785-8289 Fax: 432-785-4800**

\_\_\_\_\_  
Address

**713-751-3200 Fax: 713-751-3290**

Telephone Number **1/18/08**

\_\_\_\_\_  
Date

#### Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X **Lee McCarter**  
Signature of Authorized Individual

**Lee McCarter**

Printed Name of Authorized Individual

**Executive Vice President and CFO**

Title of Authorized Individual

**1-18-08**

\_\_\_\_\_  
Date

#### Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

☐ Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X \_\_\_\_\_  
Signature of Foreign Representative

\_\_\_\_\_  
Printed Name of Foreign Representative

\_\_\_\_\_  
Date

#### Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19B is attached.

\_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

\_\_\_\_\_  
Address

X \_\_\_\_\_

\_\_\_\_\_  
Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

*A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.*

**PENDING BANKRUPTCY CASES FILED ATTACHMENT**

<b>Name of Debtor</b>	<b>Relationship</b>
Propex Holdings Inc.	Parent
Propex Inc.	Subsidiary
Propex Concrete Systems Corporation	Subsidiary
Propex Fabrics International Holdings I Inc.	Subsidiary
Propex Fabrics International Holdings II Inc.	Subsidiary

**United States Bankruptcy Court  
Eastern District of Tennessee**

In re Propex Inc.  
Debtor

Case No. \_\_\_\_\_

Chapter 11

**Exhibit "A" to Voluntary Petition**

1. If any of debtor's securities are registered under Section 12 of the Securities Exchange Act of 1934, the SEC file number is 333-122829.
2. The following financial data is the latest available information and refers to debtor's condition on September 30, 2007.

a. Total assets	\$	<u>585,700,000.00</u>	
b. Total debts (including debts listed in 2.c., below)	\$	<u>527,400,000.00</u>	
c. Debt securities held by more than 500 holders.			Approximate number of holders
secured / / unsecured / / subordinated / /	\$	<u>Unknown</u>	_____
secured / / unsecured / / subordinated / /	\$	<u>Unknown</u>	_____
secured / / unsecured / / subordinated / /	\$	<u>Unknown</u>	_____
secured / / unsecured / / subordinated / /	\$	<u>Unknown</u>	_____
secured / / unsecured / / subordinated / /	\$	<u>Unknown</u>	_____
d. Number of shares of preferred stock		<u>0</u>	<u>0</u>
e. Number of shares of common stock		<u>10</u>	<u>1</u>

Comments, if any:

**Total assets and liabilities provided on a condensed, consolidated basis in the September 30, 2007 10-Q.**

3. Brief description of debtor's business:  
**Producer of carpet backing, manufacturer and marketer of woven and nonwoven polypropylene fabrics and fibers used in geosynthetic and other industrial applications**
4. List the name of any person who directly or indirectly owns, controls, or holds, with power to vote, 5% or more of the voting securities of debtor:  
**Propex Holdings Inc.**

**PROPEX, INC.**

**CERTIFICATE OF RESOLUTIONS**

I, Lee McCarter, Executive Vice President and Chief Financial Officer of Propex Inc., a Delaware corporation (the "Company"), hereby certifies that the attached is a true and correct copy of resolutions duly adopted at a special meeting of the Board of Directors of Propex Inc. on January 17, 2008, in accordance with the requirements of applicable Delaware law and that said resolutions have not been modified or rescinded, and are still in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 18<sup>th</sup> day of January, 2008.

**PROPEX INC.**



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Lee McCarter  
Executive Vice President and Chief Financial Officer of  
Propex Inc.

RESOLUTIONS RELATING TO  
REORGANIZATION OF  
PROPEX INC.

**RESOLVED**, that Propex Inc. (the "Company") be, and it hereby is authorized to file with the United States Bankruptcy Court for the Eastern District of Tennessee, Southern Division (the "Bankruptcy Court") a voluntary petition for reorganization pursuant to Chapter 11, Title 11 of the United States Code (the "Bankruptcy Code"), and to perform any and all such acts as the President or any Executive Vice President or the Chief Financial Officer or any other officer of the Company so designated by the Board or the President (individually, each an "Authorized Officer" and collectively the "Authorized Officers") deems to be reasonable, advisable, expedient, convenient, proper, or necessary to effect the foregoing;

**FURTHER RESOLVED**, that the Authorized Officers be, and each of them hereby is, authorized and empowered to execute and deliver and file or cause to be filed with the Bankruptcy Court, on behalf of the Company, respectively, a voluntary petition of the Company pursuant to Chapter 11 of the Bankruptcy Code and any and all other documents necessary or appropriate in connection therewith, each in such form or forms as the Authorized Officers, respectively, so acting may approve;

**FURTHER RESOLVED**, that the Company be, and hereby is, as a debtor and debtor-in-possession under Chapter 11 of the Bankruptcy Code, authorized to borrow funds in such amounts, from such lenders and on such terms as may be approved by any one or more of the Authorized Officers from time to time as such Authorized Officers may determine to be necessary for the continuation of the affairs of the Company, including but not limited to a Debtor-in-Possession Financing Agreement, and, in connection therewith, that the Company be, and hereby is authorized to grant security interests in and liens upon all or substantially all of the Company's and its subsidiaries' assets, respectively, as may be deemed necessary or appropriate by such Authorized Officer(s) in connection with such borrowings;

**FURTHER RESOLVED**, that the Authorized Officers be, and each of them hereby is, authorized and empowered to execute and deliver for and on behalf of the Company, as debtors and debtors in possession, such promissory notes, loan agreements, security agreements, and any and all other such agreements, instruments, and documents as may be necessary or appropriate to facilitate the transactions contemplated by the foregoing resolution (the "Financing Documents") and that the Financing Documents containing such provisions, terms, conditions, covenants, warranties, and representations as may be deemed necessary or appropriate by such Authorized Officer(s) so acting are hereby approved;

**FURTHER RESOLVED**, that the Authorized Officers be, and each of them hereby is, authorized and empowered to retain, on behalf of the Company, the law firm of KING & SPALDING L.L.P. to act as counsel in the representation of the Company and its subsidiaries as debtors and debtors-in-possession, in any case(s) commenced by them under the Bankruptcy Code and in all matters arising in connection therewith, and such other officers, attorneys, financial advisors, and accountants as the Authorized Officer(s) so acting shall deem necessary or appropriate;

**FURTHER RESOLVED**, that the Authorized Officers be, and each of them hereby is, authorized and empowered, on behalf of the Company, in connection with any case(s) commenced voluntarily under Chapter 11 of the Bankruptcy Code, to file or cause to be filed with the Bankruptcy Court, Plan(s) of Reorganization, together with any amendments or modifications thereto or restatements thereof (the "Plan") providing for the restructuring and reorganization of the Company upon such terms as the Authorized Officer(s), respectively, executing the same shall deem necessary or appropriate;

**FURTHER RESOLVED**, that the Authorized Officers be, and each of them hereby is, authorized and empowered, on behalf of the Company, to file or cause to be filed with the Bankruptcy Court, Disclosure Statement(s) and Solicitation of Ballots for the Plan(s), together with any amendments or modifications thereto, or any restatements thereof containing such information and disclosure as such Authorized Officer(s) shall deem necessary or appropriate;

**FURTHER RESOLVED**, that the Authorized Officers be, and each of them hereby is, authorized and empowered to take or cause to be taken any and all such further action, to execute and deliver any and all such further instruments and documents and to pay all such fees and expenses, as the Authorized Officer(s) so acting shall deem appropriate in his, her, or their judgment to fully carry out the intent and accomplish the purposes of these Resolutions; and

**FURTHER RESOLVED**, that all actions heretofore taken by the Authorized Officers in the name of and on behalf of the Company in connection with any of the foregoing matters are hereby in all respects ratified, confirmed, and approved.